

## **Chemistry & Advanced Materials Vital to Delaware's Economy**

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In Delaware, the business of chemistry is a vital part of our economy. It represents the leading export category for the state, accounting for more than three-quarters of Delaware's total manufactured exports of \$4.5 billion. The chemical manufacturing industry is a historical cluster in Delaware with more than a 200-year-old local history. Today, the requirement for rapid chemical and material innovations has diversified and thousands continue to be employed in this vital industry.

The business of chemistry has strong roots in Delaware and the industry's products permeate our society and are critical to the quality of life enjoyed by the public. Delaware's scientists utilize their research and development strengths, knowledge of chemical processes, and innovative drive to create solutions, which supports a successful and sustainable industry.

When you think about it, there are few aspects of our modern-day lifestyles that this highly regulated industry does not touch in some way. The business of chemistry is basic to our heritage, our lifestyle, other key industries, and our prominence in international business. The jobs these businesses create are critical to our economy, our communities, and our future.

Delaware considers chemistry and advanced materials to be one of the region's prime targets of opportunity for future innovation and growth. The state actively encourages enterprise and investment through business-friendly laws, innovative tax structures, and uncommon access to private and public leadership. As an important contributor to the Delaware economy, chemistry and advanced materials also accounts for just over 4% of total private sector employment with employee wages well above the national average. According to the American Chemistry Council, every chemistry-related job in Delaware leads to the creation of 6.6 additional jobs.

21st century brings many economic, environmental and societal challenges to the chemistry industry. Reaching out to these businesses and helping them continuously improve their internal processes, productivity, regulatory obligations, and community involvement is an important activity for all of us. Collaboration can produce significant benefits both for companies and their local communities.

Delawareans should consider these benefits in light of the recent incident involving Dow Reichhold Specialty Latex LLC. The company's industry-leading product lines are part of the global supply chain for chemistry and advanced materials. Its manufacturing facility near Cheswold employs 95 high wage local workers. In 2005, the company had a direct economic impact of \$12.9 million. Dow Reichhold is an important contributor to the economic vitality of Kent County and Delaware.

It is imperative that Delawareans reach out – not to punish and blame, but rather assist and encourage them to invest in their facilities, ensure safety, productive processes, and meet regulatory obligations. In doing so, we will continue develop this innovative and sustainable business for our future.

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